



NOAA Business Operations Manual



The Business Operations Manual was a joint project with the National Oceanic and Atmospheric Administration and the National Academy of Public Administration. The views expressed in this report are those of an Advisory Panel of the National Academy of Public Administration. They do not necessarily reflect the views of the Academy as an institution.

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This first edition of the Business Operations Manual is dedicated to Vice Admiral Lautenbacher and his new Senior Management Team in support of their new vision for NOAA.

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To all NOAA Employees:

The National Oceanic and Atmospheric Administration plays a key role in helping our Nation meet the critical resource and environmental management challenges of the 21st Century. To succeed at this, we need to not only have management structures and processes in place that will unlock the full potential of this talented organization but also be prudent and effective stewards of the resources that have been entrusted to us by the American people.

“...what matters most is performance and results. In the long term, there are few items more urgent than ensuring that the Federal government is well run and results-oriented.”

George W. Bush
President's Management Agenda

As a result of recommendations from the recent NOAA Program Review, we are now overhauling our Strategic Management Process. The new process will allow us to work together as a team, leverage resources across the organization and significantly improve our performance. While some of the changes may seem revolutionary, we will implement them in an evolutionary manner.

This manual was written to help further the understanding of these changes by describing and interrelating key NOAA management decision-making processes and councils and to provide a master calendar for key events and activities.

Conrad C. Lautenbacher, Jr.
Vice Admiral, U.S. Navy (Ret.)
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EXECUTIVE SUMMARY

This publication is designed to provide an understanding of the management decision-making processes and organizations that currently exist in the National Oceanic and Atmospheric Administration (NOAA), as well as the new processes and organizations that resulted from approved recommendations in the recent Program Review. It will also serve as a “master calendar” for NOAA planning, programming and budgeting. As an aid to understanding, some chapter narratives are followed by process flow diagrams.

The first chapter (“Master Calendar”) depicts the critical events and key dates for NOAA’s annual planning, programming and budgeting processes. The calendar is designed to illustrate the overall processes while the individual chapters describe each topic in more detail.

The second chapter (“Strategic Management by the NOAA Team”) provides an overview of NOAA, its strategic goals and objectives and a description of the process used to set those goals and objectives.

The next four chapters (“Planning”, “Programming”, “Budgeting”, “Requirements-Based Management Process”) should be seen both as individual processes as well as four parts of a larger process: that of aligning NOAA’s resources and activities to its strategic goals and objectives. Based on anticipated needs, a strategy is developed through the planning process. Requirements of that strategy are then estimated and programs are developed to package and execute the strategy. One important change is that planning, programming and budgeting are now sequential instead of parallel processes. (See **Figure 1** following this Executive Summary.)

While some of the descriptions in these chapters codify existing processes, many are new, and the overall approach is significantly different from what has been done in the past. The most significant change is separating the programming phase from the budget phase so they occur in two distinct time-frames in support of the overall process. In addition to the process flow diagrams in each chapter, there is also a macro-process flow diagram on page 4 that shows how the planning, programming and budgeting processes relate.

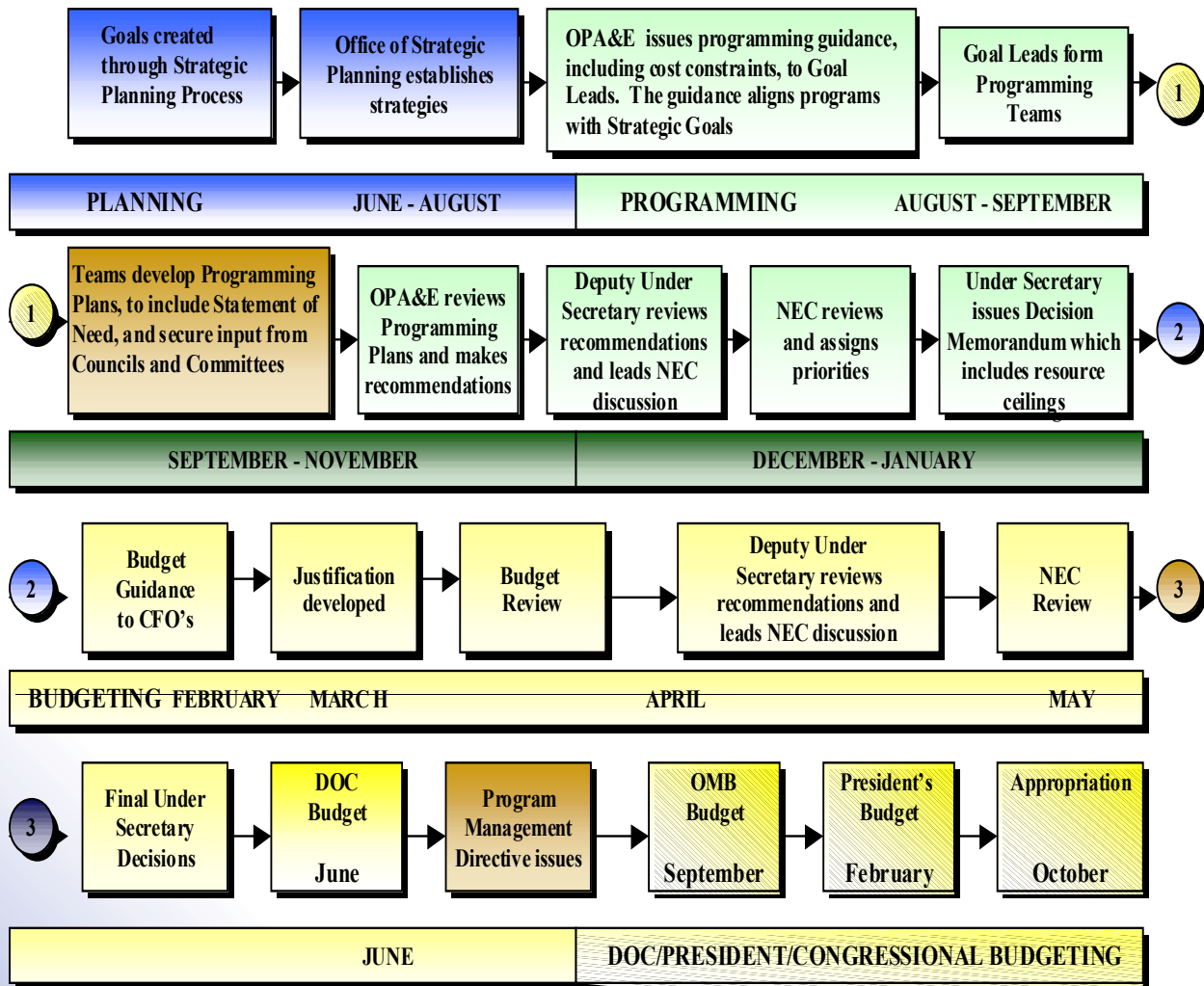
Chapter 7 (“Program Analysis and Evaluation”) outlines the structure and roles of a new organization in NOAA. The Office of Program Analysis & Evaluation (OPA&E) is designed to provide an independent analysis of proposals during both the requirements and programming processes. It also has the overall responsibility for the programming process.

Chapter 8 (“Performance Measures”) describes how performance measures are established at various program levels as well as how they are validated, reviewed and, when necessary, adjusted.

Chapter 9 (“Matrix Management”) outlines a cooperative approach to organizational responsibilities in which a designated Program Manager assumes total responsibility and accountability for program success and functional managers provide technical and business assistance.

The final chapter (“Councils and Committees”) describes the roles, responsibilities and decision-making processes of the various councils and committees that have a role in NOAA’s strategic management process.

PLANNING, PROGRAMMING AND BUDGETING PROCESS



Note: Requirements steps are indicated in brown.

CHAPTER 1 MASTER CALENDAR

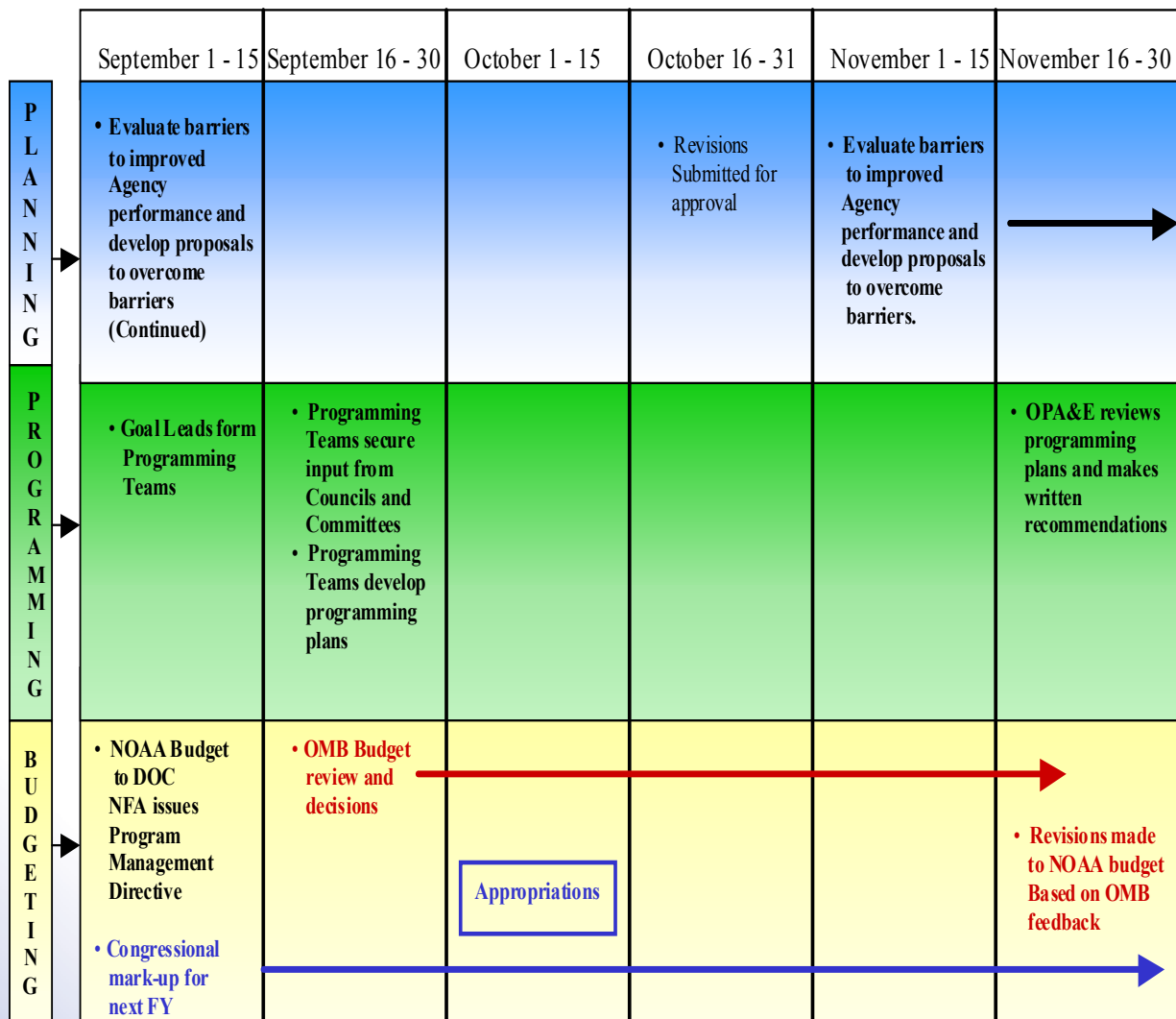
The Master Calendar is designed to provide a broad overview of NOAA's annual planning, programming, and budgeting activities. While these three processes operate sequentially, because of the nature of the Federal budget process, there is overlap between the planning and programming for any fiscal year and the budget formulation and execution for earlier fiscal years.

Each of the below listed calendars represents one quarter's activities. They begin with June and the start of the annual planning process.

	June 1 - 15	June 16 - 30	July 1 - 15	July 16 - 31	August 1 - 15	August 16 - 31
P L A N N I N G	<ul style="list-style-type: none"> OSP synthesizes & analyzes comments and develops revisions to the Strategic Plan 		<ul style="list-style-type: none"> External stakeholders meetings held Internal stakeholders meetings held Revisions finalized 	<ul style="list-style-type: none"> Revisions Submitted for approval 	<ul style="list-style-type: none"> Evaluate barriers to improved Agency performance and develop proposals to overcome barriers. 	→
P R O G R A M M I N G					<ul style="list-style-type: none"> Line Offices nominate Goal Leads NEC approves Goal Leads OPA&E issues programming guidance 	<ul style="list-style-type: none"> Goal Leads do initial planning
B U D G E T I N G	<ul style="list-style-type: none"> NOAA Budget to DOC NFA issues Program Management Directive Congressional mark-up for next FY 	<ul style="list-style-type: none"> DOC Budget review and decisions 				<ul style="list-style-type: none"> Revisions made to NOAA budget Based on DOC feedback

Budgeting Key

- Black fonts represent internal NOAA budgeting activities.
- Red fonts represent the budgeting activities that take place from the time the Department of Commerce begins reviewing the NOAA budget proposal until the time it is sent to the Congress by the President.
- Blue fonts represent budgeting activities that take place during the Congressional review and appropriations process.



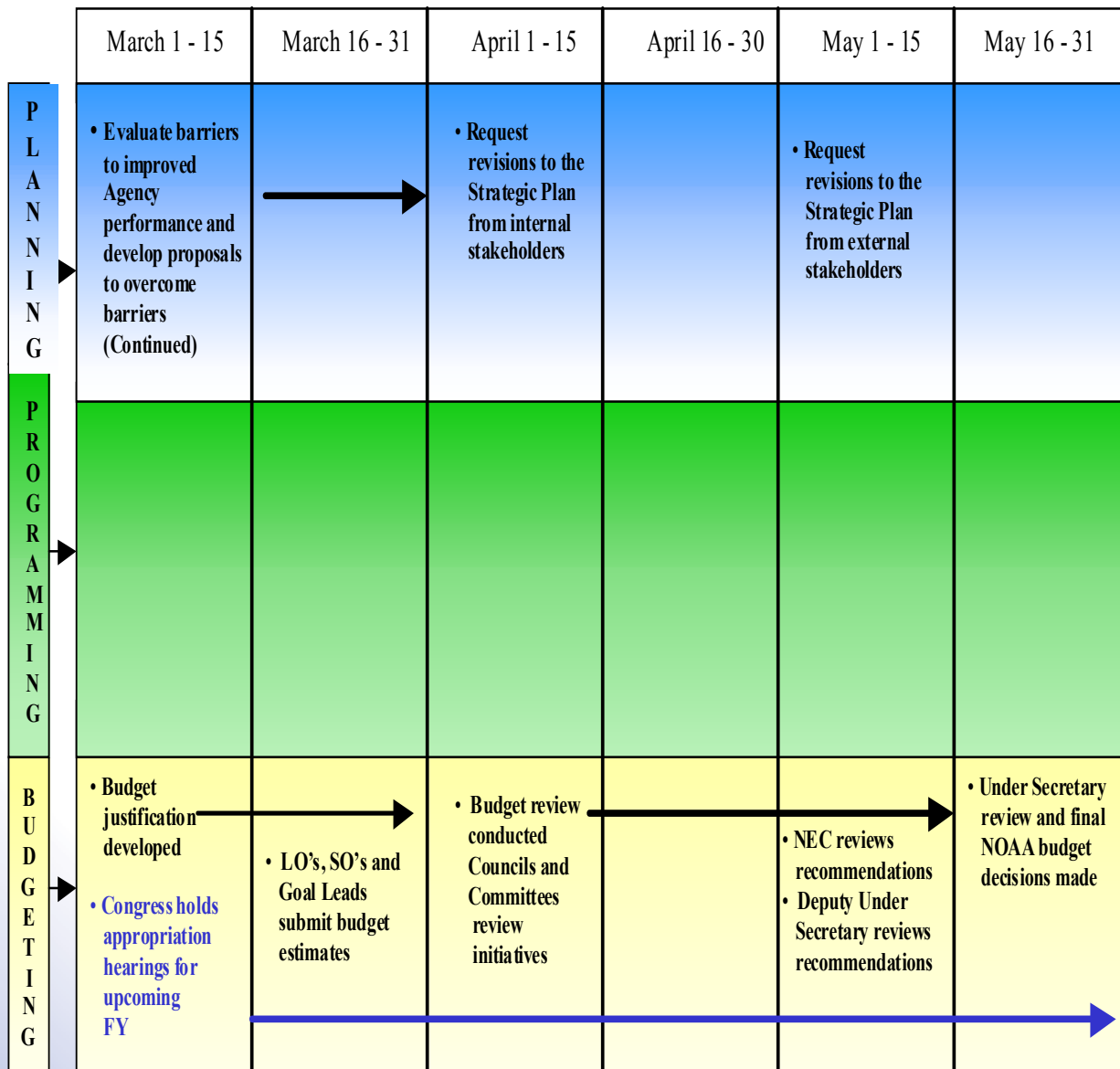
Budgeting Key

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- Blue fonts represent budgeting activities that take place during the Congressional review and appropriations process.

	December 1 - 15	December 16 - 31	January 1 - 15	January 16 - 31	February 1 - 14	February 15 - 28
P L A N N I N G	<ul style="list-style-type: none"> Evaluate barriers to improved Agency performance and develop proposals to overcome barriers (Continued) 					
P R O G R A M M I N G	<ul style="list-style-type: none"> OPA&E review (Continued) 	<ul style="list-style-type: none"> Deputy Under Secretary reviews recommendations 	<ul style="list-style-type: none"> NEC reviews recommendations Under Secretary approves plans and issues Decision Memorandum 			
B U D G E T I N G	<ul style="list-style-type: none"> OMB final decisions 			<div>President's Budget sent To Congress</div>	<ul style="list-style-type: none"> Budget guidance for FY which starts in 20 months provided to CFO's LO, SO and Goal Leads develop budget estimates 	

Budgeting Key

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CHAPTER 2

STRATEGIC MANAGEMENT BY THE NOAA TEAM

Strategic Management is a dynamic and ongoing process for corporate decision-making. It integrates planning, programming and budgeting and utilizes a shared system of principles, processes and support structures. The goal of Strategic Management is to achieve NOAA's missions by leveraging cross-office strengths and standardizing business processes throughout the Agency. This will allow for informed decisions about long-term goals, near-term activities, and institutional capabilities that are in alignment with customer requirements.

Strategic Planning is the process by which the future direction of the Agency, as embodied in its goals, objectives, and performance measures, is set. The goals of Strategic Planning include: developing a Strategic Plan that lays out "outcome-based goals" and objectives for the agency; ensuring that the plan includes specific measures and metrics by which success is determined; and keeping the plan maintained and updated on an annual basis; and ensuring that activities, budgets, and funding requests support and are aligned with the Strategic Plan.

NOAA's Strategic Plan - FY 2003 - FY 2008 and Beyond. As a result of approved recommendations from the Program Review initiated by the Under Secretary in February 2002, the Office of Strategic Planning was charged with leading the effort to craft a new NOAA strategic plan. The following process was undertaken:

- ✓ Initiate the Strategic Planning process (June-July 2002)
- ✓ Hold internal and external stakeholder meetings (August-September 2002)
- ✓ Draft Strategic Plan and circulate for comment (October-November 2002)
- ✓ Finalize draft Strategic Plan and seek public comment (December 2002)
- ✓ Incorporate public comments and circulate final draft plan for approval; make revisions as appropriate (January-February 2003)
- ✓ Begin work on plan to link the plan and the budget (Spring 2003)
- ✓ Begin work on Strategic Plans for human capital and infrastructure (Spring-Summer 2003)

The Strategic Plan that results from this process is designed to provide NOAA with goals and objectives for the next three to five years. However, the plan is reviewed for necessary changes every year during the Planning process detailed in Chapter 3 of this manual.

Vision

To move NOAA into the 21st Century scientifically and operationally, in the same interrelated manner as the environment that we observe and forecast, while recognizing the link between our global economy and our planet's environment.

Mission

To understand and predict changes in the Earth's environment and conserve and manage coastal and marine resources to meet the Nation's economic, social, and environmental needs.

Mission Goals:

- ✓ **Protect, Restore, and Manage Use of Coastal and Ocean Resources through Ecosystem Management Approaches**
- ✓ **Understand Climate Variability and Change to Enhance Society's Ability to Plan and Respond**

- ✓ **Serve Society's Needs for Weather and Water Information**
- ✓ **Support the Nation's Commerce with Information for Safe and Efficient Transportation**

Core Values

People | Integrity | Excellence | Teamwork | Ingenuity | Science | Service and Stewardship

NOAA Wide Strategies

- ✓ "Monitor and Observe" the land, sea, atmosphere, and space and create a data collection network to track Earth's changing systems
- ✓ "Understand and Describe" how natural systems work together through investigation and interpretation of information
- ✓ "Assess and Predict" the changes of natural systems and providing information about the future
- ✓ "Engage, Advise and Inform" individuals, partners, communities and industries on needed information and assisting them in the use and application
- ✓ "Manage" coastal and ocean resources to optimize benefits to the environment, economy, and public safety

Organizational Structure. NOAA is a future-minded environmental agency that provides science, service and stewardship on behalf of the American people. Its programs operate across the United States and, in fact, many of its programs are global in scope and involve international partners. NOAA performs its missions through five "Line" Offices, three "supporting service" Offices and NOAA Headquarters that consists of the Under Secretary's office and policy and Staff Offices.

NOAA Line Offices

- ✓ **NOAA's National Ocean Service (NOAA Ocean and Coasts)** provides scientific, technical, and management expertise to promote safe navigation; assesses the health of coastal and marine resources; monitors and protects the coastal ocean and global environments; and protects and manages the Nation's coastal resources.
- ✓ **NOAA's National Marine Fisheries Service (NOAA Fisheries)** is responsible for the management and conservation of the Nation's living marine resources and their environment, including mammals and endangered species.
- ✓ **NOAA's Office of Oceanic and Atmospheric Research (NOAA Research)** provides the critical environmental research and technology needed to improve NOAA services (weather warnings and forecasts, solar-terrestrial services, climate predictions, and marine services) to enable the Nation to balance a growing economy with effective management and prediction of our environment and natural resources.
- ✓ **NOAA's National Weather Service (National Weather Service)** provides weather, hydrologic, and climate forecasts and warnings for the United States, its territories, adjacent waters and oceans areas, for the protection of life and property and the enhancement of the national economy. NWS data and products form a national information database and infrastructure that can be used by other governmental agencies, the private sector, the public and the global community.

- ✓ **NOAA's National Satellites, Data and Information Service (NOAA Satellites and Information)** is responsible for the operation of environmental polar-orbiting and geostationary satellites; the collection and archiving of global environmental data and information; and data archiving services for distribution to users.

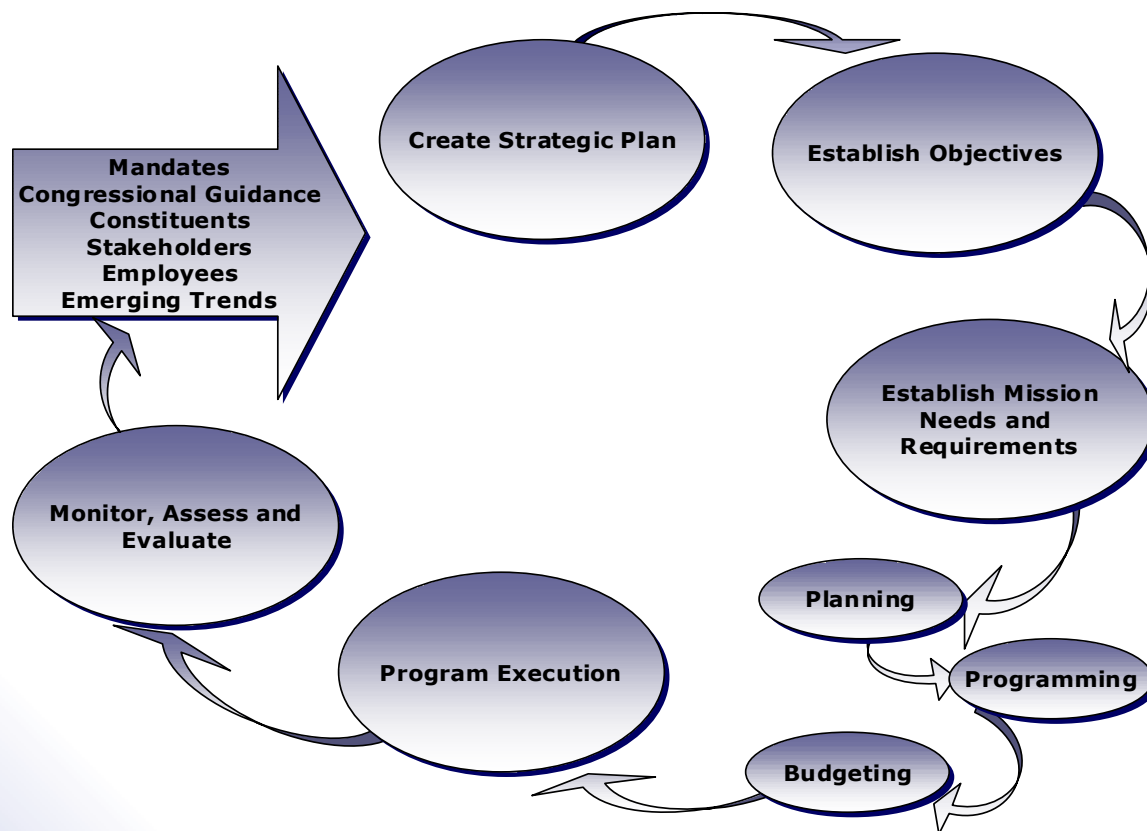
NOAA Service Offices

- ✓ **NOAA Marine and Aviation Operations (NMAO)** using ships and aircraft, collects data required to meet NOAA's mission and provides operational, technical, and managing support to NOAA programs through the NOAA Commissioned Corps. The office operates and maintains NOAA's fleet of research and survey ships and aircraft, and assists with outsourcing for ship and aircraft support.
- ✓ **NOAA Finance and Administration (NFA)** provides the administrative, financial, and infrastructure services that are essential to NOAA's mission.
- ✓ **NOAA Program Planning and Integration (PPI)** oversees a staff of program managers who execute cross-cutting programs utilizing a matrix management approach. Funding for these cross-cuts are allocated to each Line Office, but administered and monitored by the program manager. PPI also oversees NOAA's Strategic Planning process.

NOAA Headquarters

- ✓ **Under Secretary and Associate Offices** support all NOAA and Department of Commerce (DOC) programs by providing centralized, executive-management policy and direction, statutory and other legal requirements for the implementation of agency policies.
- ✓ **The Deputy Assistant Secretary for Oceans and Atmosphere** is responsible for the oversight of the overall strategic management process.

STRATEGIC MANAGEMENT PROCESS



CHAPTER 3

PLANNING

Planning is done on a strategic level and on an annual basis. (The process used to create the Strategic Plan is outlined in Chapter 2.) Additionally, each year the NOAA Strategic Plan is reviewed to ensure that the established strategic goals and objectives are still aligned with agency requirements and adjusted as necessary.

The Goal of the annual planning process is to ensure that the Agency goals, objectives, and outcome performance measures in the Strategic Plan are up-to-date and continue to align with the Agency's mission and mandates. It also serves as the first phase of the annual planning-programming-budgeting cycle that ensures that the resources requested in the budget submission support and help fulfill the Agency's goals and objectives.

Roles and Responsibilities:

The Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator will have final approval authority over the NOAA Strategic Plan and all other documents that emerge from the planning process.

The NOAA Executive Council (NEC - see Chapter 10 for a listing of members) will review and make final recommendations to the Under Secretary on all planning documents.

The NOAA Executive Panel (NEP - see Chapter 10 for a listing of members) will review and make recommendations to the NOAA Executive Council.

The Deputy Assistant Secretary for Oceans and Atmosphere is responsible for the oversight of the overall strategic management process.

NOAA Program Planning and Integration(PPI)/Office of Strategic Planning (OSP) has the primary responsibility for managing the annual planning process, which ensures that the Strategic Plan is revised as necessary to align with NOAA's mission and mandates. As part of this responsibility, OSP will recommend revisions to the Agency's goals, objectives, and outcome performance measures after consultation with both internal and external stakeholders. OSP is also responsible for ensuring that all planning efforts within NOAA are in alignment with the Agency-wide Strategic Plan. As a part of this responsibility, OSP will:

- ✓ Maintain an inventory of all existing plans of NOAA components and planning efforts occurring in the Agency.
- ✓ Participate in all such planning efforts and review all plans for alignment with the NOAA Strategic Plan before approval by the Under Secretary.
- ✓ Create a planning handbook with guidelines for writing plans and agreed-upon definitions of terms. This handbook will become an appendix to the Business Operations Manual.
- ✓ Once Agency performance information becomes available, OSP will also evaluate the barriers to improve Agency performance in preparation for the annual strategic planning process.

NOAA Line and Staff Offices are responsible for:

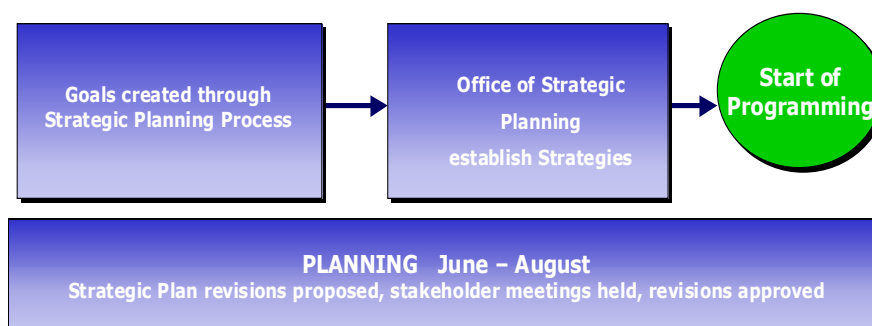
- ✓ Providing expertise in their respective program areas as input into the planning process. This may be done directly on an office-by-office basis or collectively through the various planning/programming/budgeting teams. Additionally, all Line offices and many Staff offices will write strategic plans for their respective program areas that set forth the

operational details for implementation of the NOAA Strategic Plan. These plans will be written with the help and oversight of the Office of Strategic Planning (OSP).

Key Milestones:

- ✓ Request suggested revisions to the Strategic Plan from internal stakeholders (April)
- ✓ Request suggested revisions to the Strategic Plan from external stakeholders (May)
- ✓ OSP synthesizes and analyzes comments and develops proposed revisions to Strategic Plan (June)
- ✓ Hold external stakeholder meeting (early July)
- ✓ Hold internal stakeholder meeting (if necessary) (early July)
- ✓ Finalize proposed revisions (early July)
- ✓ Submit proposed revisions for approval (late July)
- ✓ Evaluate barriers to improve Agency performance and develop proposals to overcome barriers (August through March)

PLANNING PROCESS



CHAPTER 4

PROGRAMMING

Programming is the process for deciding which initiatives NOAA should support with its limited resources. The outcomes of the process, programming plans, are the programmatic initiatives needed to achieve strategic objectives. Programming follows immediately after the annual planning process. It is also contingent upon the requirements-based management process (see Chapter 6), which serves to establish the mission needs and requirements of the Agency. Due to the requirements of the Federal budget process, programming takes place two fiscal years before an initiative is planned for implementation.

The Goal of programming is to develop initiatives that will enable NOAA to achieve the strategic goals and objectives defined in the NOAA Strategic Plan. This includes an assessment of current capabilities and goals to address performance gaps as well as a prioritization of new program initiatives and plans to be considered during the Spring budget review.

Roles and Responsibilities:

The Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator is responsible for approving final programming plans and issuing a Decision Memorandum that reflects those decisions. The issuance of this document, which includes resource ceilings and priorities, begins the annual NOAA budget formulation process. The decision memorandum is staffed by the Office of Program Analysis and Evaluation (OPA&E), under the direction of the NOAA Chief Financial Officer/Chief Administrative Officer(CFO/CAO).

The NOAA Executive Council (NEC - see Chapter 10 for a listing of members) is responsible for:

- ✓ Final selection of the Strategic Goal Leads.
- ✓ Final recommendations to the Under Secretary on programming plans and proposed priorities.

The Deputy Under Secretary for Oceans and Atmosphere reviews programming plans, including the corresponding OPA&E written analyses, and leads the NOAA Executive Committee review and discussion of the plans.

Program Planning and Integration/Office of Strategic Planning, through the creation of the NOAA Strategic Plan, is responsible for ensuring that the strategic goals and objectives are set in a timely manner, and annually reviewed and maintained in support of the programming process. These strategic goals and strategies are the starting point for the programming process.

The Office of Program Analysis and Evaluation is responsible for:

- ✓ Setting the annual programming schedule.
 - A guidance memorandum is issued to the Goal Leads and NOAA senior management.
 - This memorandum requires the concurrence of the NEP and the NOAA Budget Office.
 - The guidance should align specific programs with strategic goals and include cost constraints.

- ✓ Tasking the Goal Leads to accomplish the necessary work
- ✓ Scheduling the NEC meeting and developing the necessary documentation to demonstrate the alignment of the programming plans and performance measures with the strategic goals
- ✓ Reviewing the programming plans, including the Statement of Need (SON), and producing written analyses and recommendations to the Deputy Under Secretary to support the final decision-making process
- ✓ Making recommendations, when appropriate for further integration of programming plans

Goal Leads¹ are the NOAA officials assigned to lead the programming process for each of the approved objectives in the Strategic Plan. They are responsible for:

- ✓ Developing plans and supporting performance measures that identify and link the programs needed to achieve the goals, strategies, and outcome measures in the NOAA Strategic Plan
- ✓ Estimating the base resource requirements and new program requirements for the identified programs
- ✓ Forming Programming Teams to develop specific plans for these programs
- ✓ Overseeing the work of the teams and coordinating the teams' efforts to ensure that:
 - Jointly with OSP, develop plans to support the goals and objectives of the Strategic Plan and ensure that they are in conformance with the requirements-based management process
 - The teams develop products that are in accordance with NOAA budget process requirements
 - The teams identify current resource requirements for the initiatives as well as any increases that may be needed
 - The teams develop a rough estimate of the costs required for the initiative
- ✓ Proposing for approval the programs that will best match NOAA's strategic goals and objectives

Programming Teams are responsible for:

- ✓ Developing draft programming plans, including proposed performance measures and rough cost estimates, for OPA&E review. These plans will include:

¹For the initial year of the new programming process, the NOAA Executive Panel decided that the Leads would operate at the Strategic Goal level. When the process is more mature and the new Office of Program Analysis and Evaluation is fully functioning, this decision will be reviewed.

- A Statement of Needs (SON - see Chapter 6, “Requirements”).
Optimally, this SON would be completed and approved by PA&E prior to the programming phase, but may be submitted as a draft while the organization is fully implementing the requirements process.
- A survey of relevant NOAA Committee and Councils (see chapter 8) to determine if they have requirements that should be addressed in the program strategy plan.
- ✓ Making necessary revisions according to decision documents throughout the programming process as well as supporting Line Offices during the budgeting process. This includes final NOAA senior management decisions, final Department of Commerce decisions, and final Presidential decisions.

Line and Staff Offices are responsible for:

- ✓ Nominating individuals to the NEC to serve as Goal Leads
- ✓ Staffing the Programming Teams with both technical and budget support at the program level
- ✓ Providing the Programming Teams with a SON for each programming plan

NOAA Finance and Administration is responsible for:

- ✓ Ensuring that the OPA&E reviews programming plans developed by the Programming Teams and providing overall direction and support for this review as necessary
- ✓ Ensuring that there is complete alignment between the NOAA budget structure and the programming plans

NOAA Councils and Committees are responsible for:

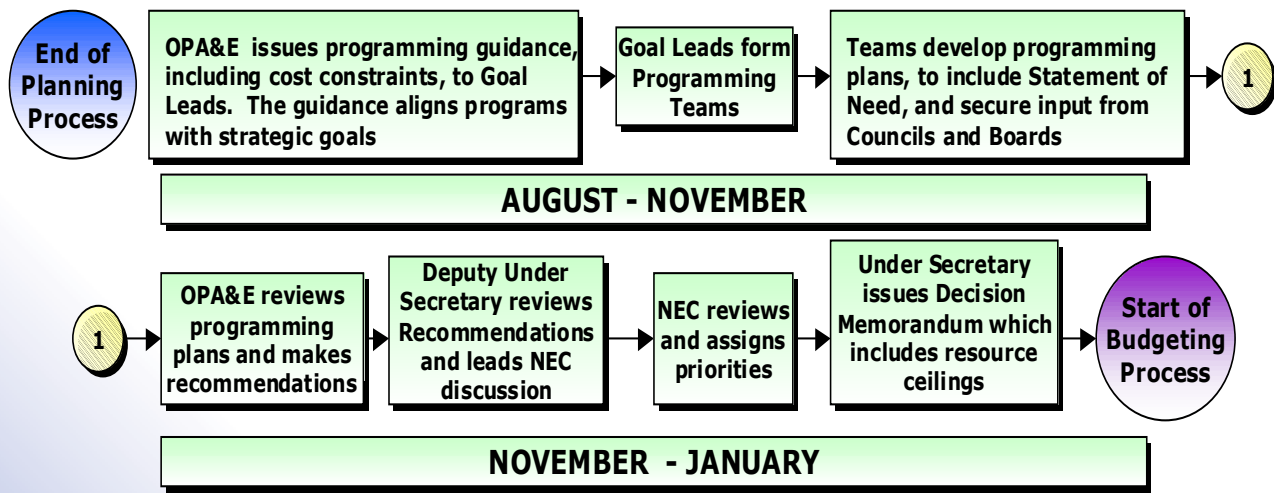
- ✓ Evaluating programming plans to ensure consistency with any current directions or decisions made by the Councils. These reviews will be conducted concurrently with the NOAA Budget Office review, and submitted to the NOAA PA&E Office prior to decision meetings with the Deputy Under Secretary
- ✓ Relevant boards should include, but are not limited to, the Research Council, the Fleet Allocation Council, the Information Technology Review Committee, and the Facilities Committee.

Key Milestones:

- ✓ Line Offices nominate Goal Leads (first week of August)
- ✓ NEC approves Goal Leads (second week of August)
- ✓ OPA&E issues guidance (second week of August)
- ✓ Goal Leads do initial planning (mid-August to first week of September)
- ✓ Goal Leads form Programming Teams (second week of September)

- ✓ Programming Teams develop secure input from councils and committees and draft programming plans, including proposed performance measures, for review by OPA&E (third week of September to mid-November).
- ✓ PPI/OSP will review programming plans and provide input to OPA&E.
- ✓ OPA&E reviews plans and develops written recommendations for consideration by the Deputy Under Secretary (mid-November to mid-December).
- ✓ Deputy Under Secretary reviews plans (mid-December).
- ✓ NEC reviews plans and makes final recommendations (first week of January).
- ✓ Under Secretary makes final decisions and issues Decision Memorandum (second week of January).

PROGRAMMING PROCESS



The following are examples to illustrate the relationships and timeframes involved in the programming process.

NOTE: Programming activities take place two fiscal years prior to the year in which the proposed initiative would actually begin to be implemented, i.e., the executing year. For example, programming in support of the FY 2006 operating budget would take place in the August 2003 to January 2004 time period.

Example 1:

Strategic Goal: “Serve Society’s Needs for Weather and Water Information.”

- ✓ Goals and measures are established through the NOAA Strategic Management Process.
- ✓ Goal Leads for each goal are nominated by Line Offices and approved by the NEC.
- ✓ OPA&E issues guidance.
- ✓ Leads form Programming Teams to develop specific plans for these programs.
- ✓ Leads develop plans that identify and link the programs needed to achieve the strategic goals.

Programming Plan: “Complete the deployment of NEXRAD Doppler Radar and ASOS’s.”

- ✓ Programming Teams secure input from Councils and Committees and develop draft programming plans to include proposed performance measures and Statements of Need for review by OPA&E.
- ✓ PPI/OSP provide input to OPA&E on programming plans. OPA&E reviews plans and develops written recommendations for consideration by the Deputy Under Secretary and NEC.
- ✓ Under Secretary makes final decisions.

Budget Justification: Resources are identified and justified in the NWS operations and procurement accounts.

- ✓ Current base budgets are analyzed against approved programs.
- ✓ Total budgetary resources are reviewed and justifications are considered within budget constraints.
- ✓ Under Secretary makes final decisions.

Example 2:**Strategic Goal: “Protect, Restore, and Manage Use of Coastal and Ocean Resources through Ecosystem Management Approaches.”**

- ✓ Goals are established through the NOAA Strategic Management Process.
- ✓ Goal Leads for each goal are nominated by Line Offices and approved by the NEC.
- ✓ OPA&E issues guidance.
- ✓ Leads develop plans that identify and link the programs needed to achieve the strategic goals.
- ✓ Leads form Programming Teams to develop specific plans for these programs.

Programming Plan: “Conduct population biology studies.”

- ✓ Programming Teams secure input from Councils and Committees and develop draft programming plans to include proposed performance measures and Statements of Need for review by OPA&E.
- ✓ OSP provide input to OPA&E on programming plans. OPA&E reviews plans and develops written recommendations for consideration by Deputy Under Secretary and NEC.
- ✓ Under Secretary makes final decisions.

Budget Justification: Resources are identified and justified in the NOS operations and procurement accounts.

- ✓ Current base budgets are analyzed against approved programs.
- ✓ Total budgetary resources are reviewed and justifications are considered within budget constraints.
- ✓ Under Secretary makes final decisions.

CHAPTER 5

BUDGETING

Budgeting is the process for determining the resources required by NOAA to meet its program commitments; justifying these requirements to various review levels; determining the impact of revised resource levels; and executing the program at the approved funding level.

The Goal of budgeting is to formulate a financial plan for upcoming fiscal years that commits current and future resources in the most efficient manner while supporting NOAA's goals and priorities. Following final approval, the goal is to ensure that the plan is executed in an efficient and effective manner consistent with the intent of the legislation.

Roles and Responsibilities:

The Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator is responsible for approving the final budget justifications and directing the CFO/CAO to execute those decisions through the budget process and the issuance of a Program Management Directive.

The NOAA Executive Council is responsible for making final recommendations to the Under Secretary on programming plans and proposed priorities.

The Deputy Under Secretary for Oceans and Atmosphere is responsible for:

- ✓ Reviewing NOAA Budget Office's written analyses in order to make recommendations.
- ✓ Leading NOAA Executive Committee review and discussion of the budget.

The NOAA Program Planning and Integration/Office of Strategic Planning is responsible for:

- ✓ Ensuring the budget maintains alignment with the Strategic Plan.
- ✓ NOAA Budget Office ensures that any new measures created during the budgeting phase support the goals, strategies, outcome measures, and measures of success contained in the NOAA Strategic Plan.
- ✓ Reviewing the budget guidance memorandum for consistency with the NOAA Strategic Plan.

The NOAA Budget Office is responsible for:

- ✓ Setting the annual budgeting schedule.
 - A guidance memorandum is issued to the Line and Staff Office Chief Financial Officers/Budget Chiefs, Goal Leads, and NOAA senior management.
 - This memorandum requires the concurrence of the NOAA Office of Program Analysis and Evaluation and NOAA Program Planning and Integration/Office of Strategic Planning.
 - The guidance must ensure approved programming plans are described and resource targets are included.

- ✓ Tasking the Line and Staff Office's Chief Financial Officers/Budget Chiefs to accomplish the necessary work with the assistance of the Strategic Goal Leads.
- ✓ Reviewing budget justifications and producing written analyses and recommendations to the Deputy Under Secretary to support the final decision-making process. The review should include financial and past program performance, overall justification, efficacy, and include a corresponding base execution analysis.
- ✓ Scheduling the NEC meeting and developing the necessary documentation to demonstrate the alignment of budgetary decisions with approved programming plans and performance measures with the strategic goals.
- ✓ Establishing and tracking the control numbers that guide resource issue guidance requests.
- ✓ Ensuring that products are produced in accordance with the NOAA budget process, OMB guidelines and NOAA's Strategic Plan.
- ✓ Ensuring that budget products are consistent with programming decisions and can be executed.
- ✓ Adjusting for changes and factoring in known externalities.
- ✓ Scheduling and preparing final budget decision materials for the Deputy Under Secretary, the NEC, and the Under Secretary.

The NOAA Finance and Administration is responsible for:

- ✓ Identifies the resources for, the responsibilities of, and requirements to be accomplished by the program.
- ✓ Issuing the Program Management Directive that provides direction to appropriate Line Offices (LO) and Program Managers.
- ✓ Ensuring that the NOAA Office of Budget conducts its review.
- ✓ Overall oversight of the Budgeting process.

NOAA Line and Staff Offices are responsible for:

- ✓ Preparing the required justifications for the programs that align the base program line item with the enhancement requested.
- ✓ Preparing and presenting the budget estimates aligned to both the budget structure and strategic plan goals.
- ✓ Presenting the budget estimates to the Chief Financial Officer/Chief Administrative Officer (CFO/CAO) of NOAA as well as the Deputy Under Secretary (DUS) of NOAA.
- ✓ Making the necessary revisions according to NOAA Budget Office guidance and decision documents throughout the process. This includes final NOAA senior management decisions, final Department of Commerce decisions, and final Presidential decisions.
- ✓ Responding to ad hoc questions from budget reviewers throughout the entire process, as coordinated and directed by the NOAA Budget Office.
- ✓ Preparing appeals, as necessary, following senior management decisions.

Programming Teams are responsible for:

- ✓ Working with the Line and Staff Office's Chief Financial Officers/Budget Chiefs to develop the final budget estimates according to the Under Secretary's Decision Memorandum.
- ✓ Developing the budget estimates according to the Under Secretary's Decision Memorandum.
- ✓ Making the necessary revisions according to the NOAA Budget Office guidance and decision documents throughout the budgeting process. This includes final NOAA senior management decisions, final Department of Commerce decisions, and final Presidential decisions.
- ✓ Providing technical support to Line Offices in implementing the program.
- ✓ Providing support to the Budget Office to ensure technical accuracy.

NOAA Councils and Committees are responsible for:

- ✓ Evaluating budget justifications to ensure consistency with any current directions or decisions made by the Councils and Committees. These reviews will be conducted concurrently with the NOAA Budget Office review, and submitted to the NOAA Budget Office prior to decision meetings with the Deputy Under Secretary.
- ✓ Relevant Councils and Committees should include, but are not limited to, the Research Council, the Fleet Allocation Council, the International Affairs Council, the Information Technology Review Committee, and the Facilities Committee.

Key Milestones. For the fiscal year which begins in October of the following year (approximately an 18 months process):

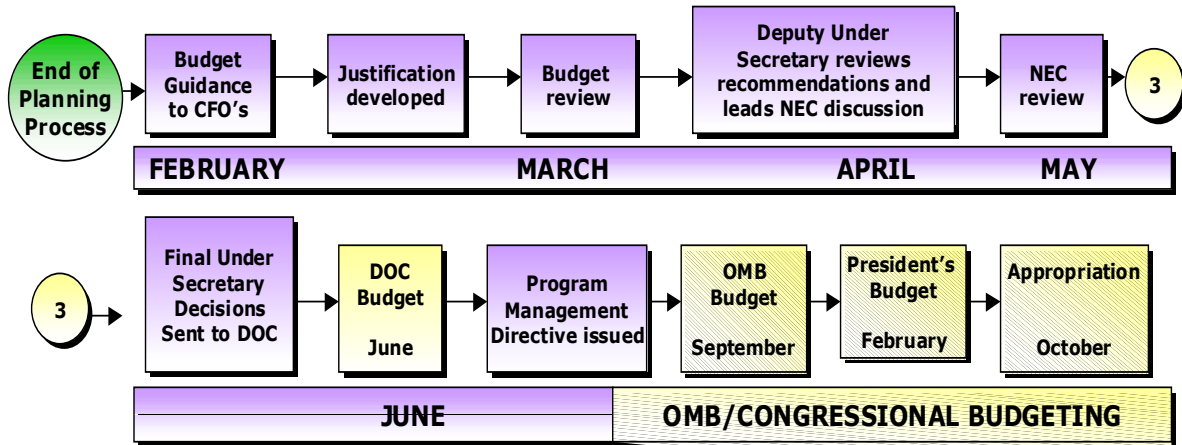
- ✓ NOAA Budget Office transmits budget guidance (February).
- ✓ Line and Staff Office's Chief Financial Officers/Budget Chiefs, with Goal Leads develop budget estimates (February-March).
- ✓ Line and Staff Office's Chief Financial Officers/Budget Chiefs, with Goal Leads submit budget estimates (end of March).
- ✓ NOAA Budget Office conducts analysis (April).
- ✓ Councils and Committees and the NOAA Office of Strategic Planning conduct concurrent review submitted to NOAA Budget prior to DUS decision meetings (April).
- ✓ Deputy Under Secretary review meetings (first week of May).
- ✓ NOAA Executive Council review meetings (May).
- ✓ Under Secretary decision meetings (May).
- ✓ NOAA Budget finalizes Secretarial budget submission.
- ✓ **Secretarial budget transmitted** (June 15).

- ✓ Department of Commerce decisions (August 1):
 - NOAA Budget Office prepares appeal as required, and provides final decision guidance.
 - Line and Staff Offices with Goal Leads revise programming plans, budget estimates and performance measures.
 - NOAA Budget Office prepares annual performance plan.
 - NOAA Budget Office prepares technical OMB budget submission.
- ✓ **Budget submitted to OMB by Department of Commerce** (September 15).
- ✓ **Passback from OMB** (End of November).
- ✓ **President approves agency budgets** (December 1).
 - NOAA Budget Office prepares appeal as required, and provides final decision guidance.
 - Line and Staff Offices with Goal Leads revise programming plans, budget estimates and performance measures.
 - NOAA Budget Office prepares annual performance plan.
 - NOAA Budget Office prepares technical Congressional budget submission.
- ✓ **President's budget sent to Congress** (February 1)
 - NOAA Budget Office leads rollout, with Line Office support.
 - NOAA Budget Office fields Congressional inquiries; all appropriate offices respond.
- ✓ Congressional Appropriation Hearings. NOAA Budget Office prepares hearing materials, all appropriate offices support (March-June).
- ✓ Congressional Mark-up. NOAA Budget Office prepares analysis of mark; all appropriate offices support (June-September).

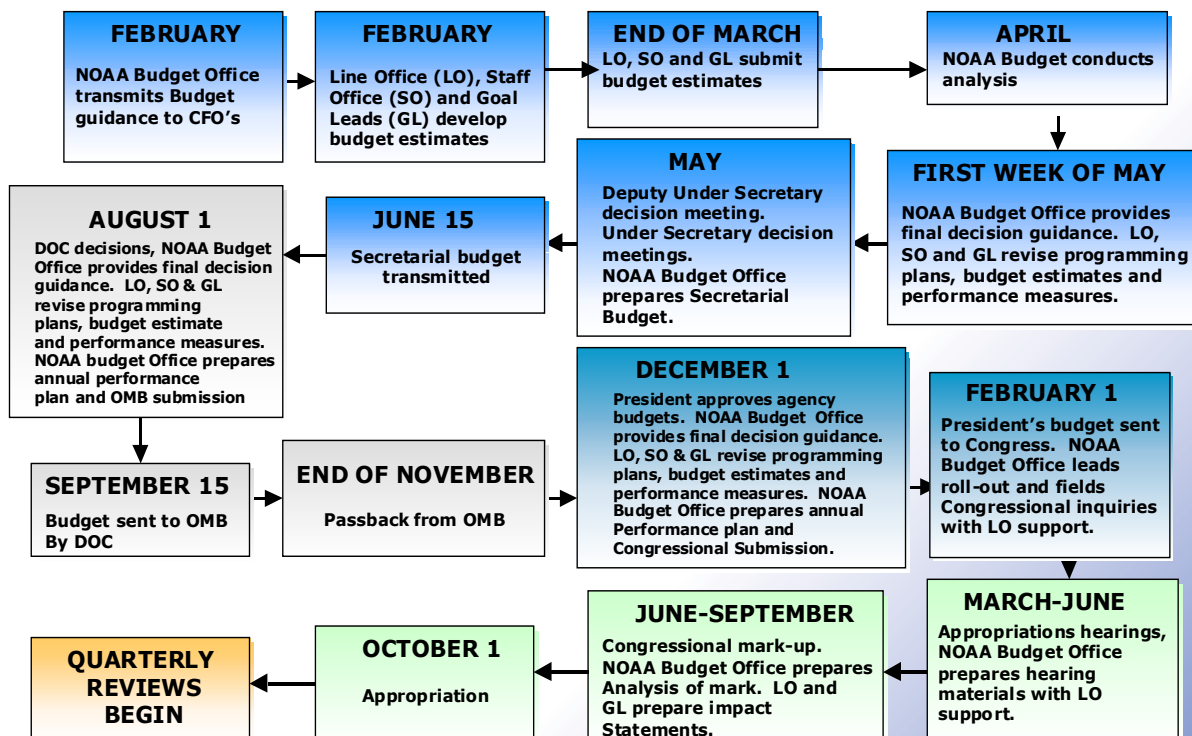
Appropriation

- ✓ NOAA Budget Office provides final decision guidance.
- ✓ Line Office and Staff Office's Chief Financial Officers/Budget Chiefs with Goal Leads finalize programming plans into execution plans (October 1)
- ✓ Quarterly Reviews 1-4
 - Program Coordination Office (PCO) Provides Quarterly guidance.
 - NOAA Budget provides financial tables for variance analysis.
 - Line Offices provide financial variance analysis to NOAA Budget Office.
 - Line Offices provide performance goals/actuals to NOAA Budget Office.

NOAA MACRO BUDGETING PROCESS



NOAA DETAILED BUDGETING PROCESS



CHAPTER 6

REQUIREMENTS BASED MANAGEMENT PROCESS

The Requirements Process translates NOAA long-term needs, as determined by strategic planners, into program requirements. It is an iterative, ongoing process which fully supports programming, planning and budgeting.

The Goal of the requirements process is to identify all known NOAA top-level requirements necessary to achieve the Agency's mission and vision. It does this through a systematic process which:

- ✓ Identifies new or enhanced acquisitions and/or programs necessary to meet these requirements.
- ✓ Requires Statement of Need (SON) for each new or enhanced program or acquisition.
- ✓ Develops Program Requirements Documents (PRD) supporting the execution of all NOAA-approved acquisitions or programs.

Roles and Responsibilities:

The Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator establishes overall policies for NOAA relating to requirements-based management process.

The Deputy Under Secretary for Oceans and Atmosphere formulates plans and policies for NOAA and is responsible for overall agency management. Requirements-based management responsibilities include, but are not limited to, the following:

- ✓ Signing approved Statements of Need (SON)
- ✓ Signing Program Management Directives (PMD)
- ✓ Signing approved Program Requirements Documents (PRD)
- ✓ Appointing Program Managers for all programs

The Assistant Administrator (AA) or equivalent of a NOAA line or staff organization initiating a new program or program enhancement is responsible for:

- ✓ Preparing the Statement of Need (SON) for each new or enhanced program initiative. (In cases where the SON involves more than one LO, the NOAA Deputy Under Secretary will assign one of the relevant AAs as the Lead AA.)
- ✓ Assessing user needs and opportunities

The Office of Program Analysis and Evaluation is responsible for providing an independent program assessment of each new or enhanced program. It provides a written review of all Statements of Need (SON) for the Deputy Under Secretary and will provide technical assistance on which to base program decisions. Specific duties include:

- ✓ Analyze and evaluate plans, programs and budgets in relation to NOAA's mission, strategic plan, annual plans, and cost and resource estimates on an annual basis.
- ✓ Review, analyze and evaluate new or enhanced programs before SON and program review by the Under Secretary.
- ✓ Develop and use analytical tools and methods for analysis of programming and planning resources.
- ✓ Ensure that requirements, costs and resources of NOAA programs are presented accurately and completely.

The Program Manager is responsible for executing an approved program in accordance with the applicable Program Management Directive. Duties include preparing the Program Management Directive, the Program Requirements Document and conducting the annual program reviews under the direction of OPA&E.

The NOAA Executive Council (NEC) is responsible for reviewing all new or enhanced programs and directing the Office of Finance and Administration to issue applicable Program Management Directives.

The NOAA Executive Panel (NEP) (see Chapter 10 for a listing of members) is responsible for approving all Program Requirements Documents.

The NOAA Finance and Administration is responsible for issuing the Program Management Directive for all programs approved by the NEC.

Goal Leads are approved by the NEC for each goal identified in NOAA's Strategic Plan and are responsible for developing plans that identify and link the programs needed to achieve the strategic goals.

Programming Teams are responsible for developing draft programming plans, including proposed performance measures and rough cost estimates, for OPA&E review. These plans will include a SON endorsed by the Team.

Definitions:

Statement of Need - Statement of Need (SON) is a generic statement of a lack of capability and is non-solution specific to allow selection of the most cost effective solution; however, the SON may identify "potential" solutions and indicate a tentative preference. The SON identifies and describes the mission deficiency; discusses the results of assessments of user needs and opportunities; describes why non-fiscal changes (i.e., policies, legislation) are not adequate to correct the deficiency; identifies potential programmatic or material alternatives; and describes any key boundary conditions and operational environments that may impact satisfying the need.

Program Management Directive - Program Management Directive (PMD) defines a specific program, provides direction to appropriate LOs and Program Managers, and identifies the resources for, the responsibilities of, and requirements to be accomplished by the program. PMDs are issued by the Office of Finance and Administration at the direction of the NEC.

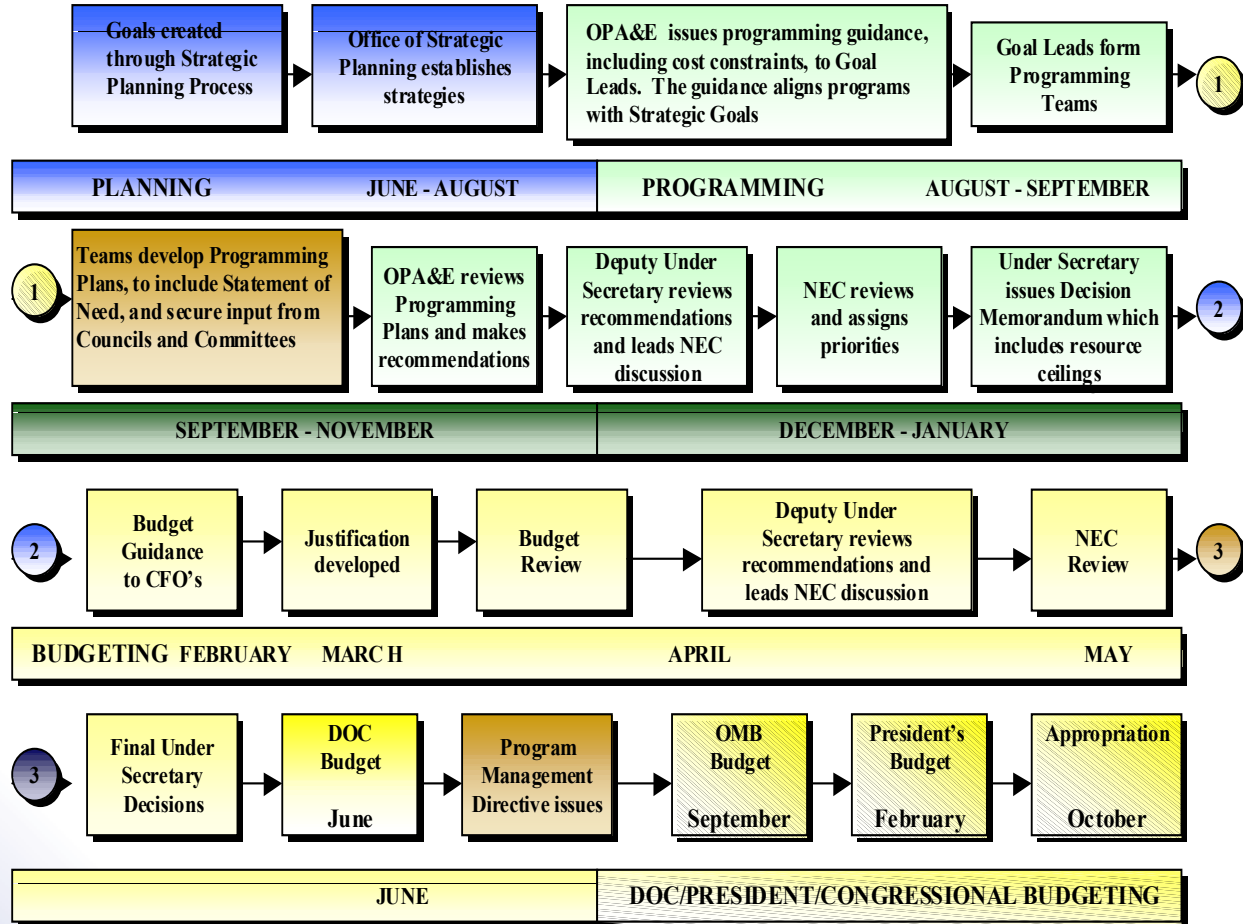
Program Requirements Document (PRD) - Program requirements documents are developed from the approved SON and PMD and detail the technical requirements for the approved program or acquisition. The PRD examines various alternatives and performs the necessary trade-off analyses to develop the preferred solution to fulfill the validated requirement(s). It is important that the preferred solution satisfies the requirement(s) when cost, schedule, performance, and risk are considered.

Annual Program Reviews - The annual program reviews will coincide with NOAA's planning, programming and budgeting cycle and will, among other things, assess how well the program is meeting the requirements in the PRD. These Program Reviews may, in turn, lead to modifications in existing SONs or to the creation of new SONs.

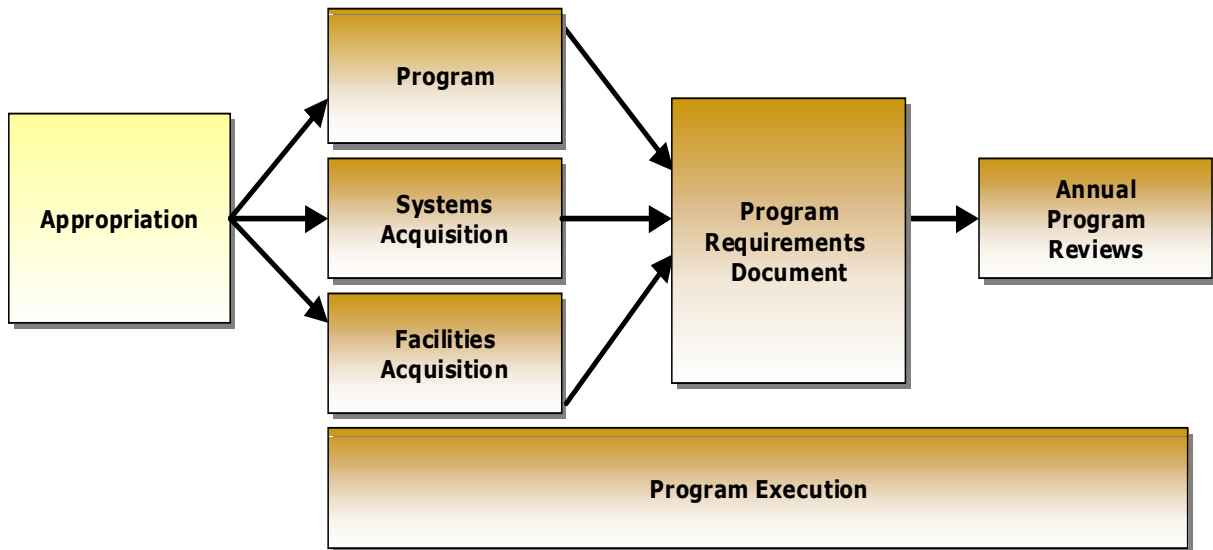
Key Milestones

- ✓ Preparation of new or modified Statements of Need (September-November).
- ✓ Preparation of Program Management Directive (June)
- ✓ Preparation of Program Requirements Documents (during program execution).

REQUIREMENTS BASED MANAGEMENT PROCESS



REQUIREMENTS PROCESS STEPS DURING PLANNING, PROGRAMMING, AND BUDGETING



Note: Requirements steps are indicated in brown.

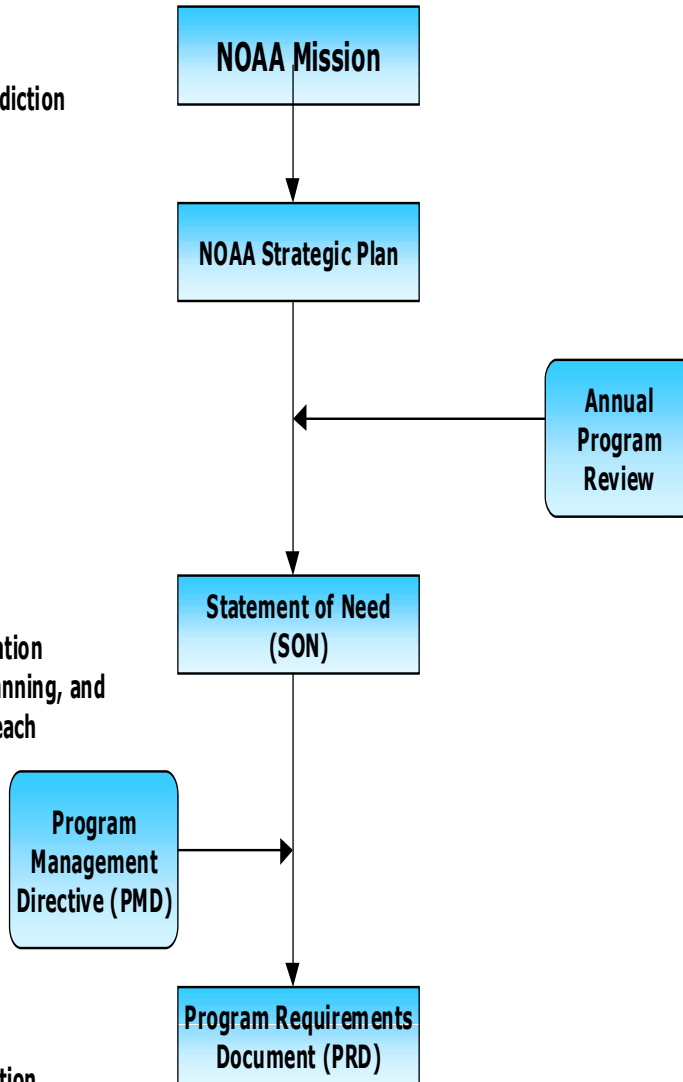
For example:

- Environmental Analysis and Prediction
- Environmental Management

- Published every five years
- GPRA
- Strategic Themes
- Performance Objectives

- All programs require SON
- Approved once at program initiation
- Periodic review by Program, Planning, and Integration--staggered so that each SON reviewed every 5 years

- All programs require PRD
- Approvals linked to implementation process



CHAPTER 7

PROGRAM ANALYSIS AND EVALUATION

The Office of Program Analysis and Evaluation (OPA&E) conducts the independent and objective analysis and evaluation of plans, programs and requirements as they relate to the goals and strategies of the strategic plan.

The Goal is to support efficient and effective decision-making that will ensure the accomplishment of NOAA's mission in accordance with the NOAA Strategic Plan and Goals.

Roles and Responsibilities: Initially there will be a series of pilot projects to work out the details of the OPA&E processes and the resources that will be needed. The eventual role of OPA&E is to review all significant program initiatives and major requirements, as well as to provide support to analyses done within Line Offices. OPA&E analysis is independent, and recommendations submitted require no concurrence from other organizations. The Office will be responsible for:

Programming Process:

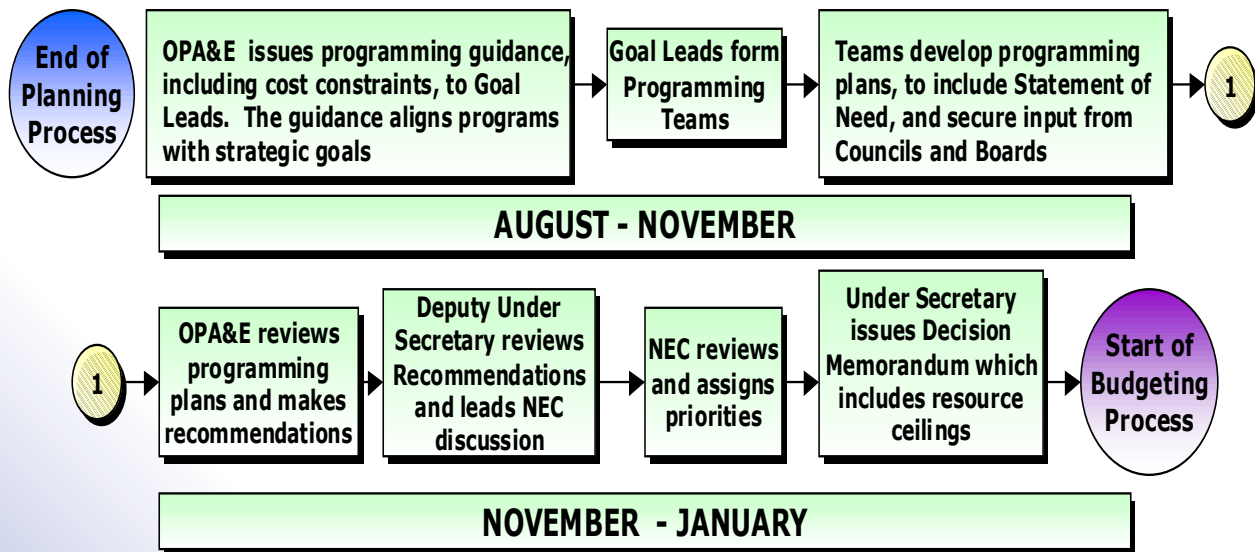
- ✓ Setting the annual programming schedule.
- ✓ Issuing annual programming guidance:
 - A guidance memorandum is issued to the Goal Leads and NOAA senior management.
 - This memorandum requires the concurrence of the NOAA Budget Office.
 - The guidance should align specific programs with strategic goals and include cost constraints.
- ✓ Tasking the Goal Leads to accomplish the necessary work.
- ✓ Scheduling the NEC meeting and developing the necessary documentation to demonstrate the alignment of the programming plans and performance measures with the strategic goals.
- ✓ Reviewing the programming plans and producing written analyses and recommendations to the Deputy Under Secretary to support the final decision-making process.
- ✓ Making recommendations, when appropriate, for further integration of programming plans.
- ✓ Conducting independent reviews.

- ✓ Reviewing Statements of Need (SON).
- ✓ Reviewing and finalizing NOAA's programming structure.

Key Milestones:

- ✓ Issue annual Programming guidance (August)
- ✓ Review, analyze and make recommendations on Programming Team plans (mid-November-mid-December)
- ✓ Review, analyze and make recommendations on Statements of Need (on-going)

PA&E PROCESS FLOW



CHAPTER 8

PERFORMANCE MEASURES

Performance Measures are the means by which actual outcomes and outputs are measured against planned outcomes and outputs. To be effective, they must be aligned with NOAA's Strategic Goals and gauged at all program levels.

The Goal of performance measures is to improve service to the public. This is done by measuring performance, comparing that to established goals, and making the appropriate adjustments to plans and activities.

Roles and Responsibilities:

NOAA Office of Strategic Planning:

- ✓ Leads the effort to develop outcome measures at the Goal and Strategy levels of the NOAA Strategic Plan through the Strategic Planning process. This includes both intermediate and final outcome measures.
- ✓ Reviews and approves NOAA's performance measures in support of NOAA's Strategic Plans and Goals.
- ✓ Provides input to OPA&E and the NOAA Budget Office on performance measures developed during the programming phase and the budgeting phase.
- ✓ Along with the NOAA Budget Office, jointly reviews actual performance against stated performance targets on a quarterly basis for the year. This is done in conjunction with the NOAA Quarterly Review meetings.
- ✓ Reviews output/activity performance measures, including those in the Line Office strategic plans, to ensure alignment with Strategic Plan (April).

Programming Teams: Under the guidance of Goal Leads, are responsible for developing output/activity performance measures to accompany programming plans. This establishes lines of accountability between resources spent and activities performed in support of the NOAA Strategic Plan.

NOAA Budget Office:

- ✓ Has the responsibility to ensure that performance measures below the Goal and Strategy levels of the Strategic Plan are developed, implemented and maintained throughout the organization.
- ✓ During the budgeting phase, issues performance related guidance, sets the annual schedule, convenes NOAA-wide meetings to task the necessary work, and ensures that products are produced in accordance with OMB guidelines and NOAA's Strategic Plan.
- ✓ Ensures that measures are properly documented in the budget submission, the Department of Commerce (DOC) annual performance plan, the DOC accountability report, and in NOAA's Financial Statements.

- ✓ Ensures that resource requests are in line with measures, including both base funding and enhancements proposed.
- ✓ Submits measures to the Office of Strategic Planning for review and approval when the development of a new measure is completed to ensure consistency with measures in the strategic plan.
- ✓ Along with the Office of Strategic Planning, jointly reviews actual performance against stated performance targets on a quarterly basis for the year. This is done in conjunction with the NOAA Quarterly Review meetings.

Line and Staff Offices:

- ✓ Develop performance measures that are in alignment with the NOAA Strategic Plan.
- ✓ Collect the data required to report actual performance on a quarterly basis.
- ✓ Ensure that measures are tracked, reports are prepared, and the data is validated and verified.
- ✓ Submit, along with the proposed performance measure, the supporting data collection and validation plan.
- ✓ Responsible for achieving performance goals
- ✓ Prepare quarterly reports on actual performance against targeted performance goals for the year. These should be presented during the NOAA Quarterly review process.

Key Milestones:

- ✓ Strategic Planning Process, led by the Office of Strategic Planning, develops outcome performance measures for Goals and Strategies (when changes are made to the Strategic Plan).
- ✓ Programming Teams develop output/activity performance measures for their individual initiatives (third week of September to mid-November).
- ✓ NOAA Budget Office in consultation with NOAA Program Planning and Integration/Office of Strategic Planning issues guidance on output/activity performance measures within budgeting process guidance memorandum (January).
- ✓ Line Offices finalize output/activity performance measures to correspond with resource justifications (January-March).
- ✓ OSP reviews output/activity performance measures to ensure alignment with Strategic Plan (April)
- ✓ NOAA Budget Office reviews output/activity performance measures to ensure they are properly detailed in all appropriate documents and submissions and submits input for DOC's Annual Performance Plan/Report (April).
- ✓ Line Offices prepare quarterly reports on performance (two weeks after the end of the quarter).
- ✓ Office of Strategic Planning and NOAA Budget Office review quarterly reports (three weeks).

CHAPTER 9

MATRIX MANAGEMENT

Matrix Management is a cooperative approach to managing programs that span across two or more NOAA organizations. The Project Manager is given total responsibility and accountability for the program's success while functional managers provide technical and business assistance.

The Goal of matrix management is to improve coordination of programs, move towards a more integrated organization, maximize the efficient use of resources and ultimately, help NOAA achieve its Mission and Vision.

Roles and Responsibilities:

The NOAA Executive Committee (NEC) will determine which programs will be matrix managed and will select the Program Manager.

The Assistant Administrator for Program Planning and Integration (AA/PPI), who also is a member of the NEC, oversees matrix-managed programs. Matrix Program Managers report to their respective line office and the AA/PPI.

The NOAA Executive Panel (NEP) recommends to the NEC, programs for formal matrix management and the Program Managers.

Line Offices provide technical and business assistance to matrix managed programs that are codified in service level agreements. They also have oversight responsibilities for their employees who serve as Program Managers. Appeals to Program Manager decisions, that LO's disagree with, are made to the AA/PPI. The next appellate level for any unresolved issues is the Under Secretary.

Program Managers are responsible for:

- ✓ Developing a full funding plan, including any new funding initiative
- ✓ Approving all program expenditures
- ✓ Managing the program's costs/budget
- ✓ Managing the program schedule
- ✓ Setting and meeting performance measures
- ✓ Tracking and evaluating key risk factors
- ✓ Serving as the primary point of contact for all matters or questions regarding the program
- ✓ Deciding programmatic issues in consultation with LO partners
- ✓ Deciding budgetary issues in consultation with partners and NOAA Office of Budget
- ✓ Dual reporting will be for the program manager and for program staff that are one level below the program manager

NOAA Office of Budget issues allowance advice in accordance with matrix management decisions.

Programs eligible for matrix management must meet the following criteria:

- ✓ **Funding**
Life cycle costs of over \$150 million over 5+ years, **Or**
Any program specifically designated by the NEC.
And
- ✓ More than one Line Office is required to provide 25% or more of the resources necessary to meet NOAA's and/or the program's performance measures.

Matrix Management Agreements will be established for each matrix-managed program. The next 4 pages provide an example of such an agreement.

MATRIX MANAGEMENT AGREEMENT AND SERVICE LEVELS (TEMPLATE)

Fiscal Year 2002

Matrix Program: Name (Example)

I. Executive Summary:

High-level description of proposed activities

II. Program Information:

A. Matrix Manager:

1. Name: Jane Doe
2. Official Title; Line/Staff Office affiliation
3. Phone/email/address
4. Summary of program responsibility or title
5. Rating officials/supervisor's (or COTR's if contractor) name, phone, and email
6. Attach individual performance plan to this agreement
7. Modify/develop plan to incorporate project responsibilities
8. Update yearly (minimum requirement)

B. Participating Line Offices (LO) and corresponding programs

LO 1 = e.g. NOS; Office Response and Restoration
LO 2 = e.g. NMFS; Office of Habitat

C. Financial Authority

1. Line Offices will make all budgetary resources available to the matrix manager within 5 days upon receipt of the NOAA allowance.
2. Matrix Manager has the financial responsibility for the expenditure of matrix program funding as illustrated in Attachment 1 of this plan. Total summary funding per Line Office is as follows:

NOS funding = \$14.0M
NMFS funding = \$11.0M
Total matrix program funding = \$25.0M

D. Period of Agreement: e.g., 10/3/02 to 9/30/03; or multi-years 10/3/02-9/30/04.

III. Matrix Management Roles and Responsibilities

A. The Matrix Manager (insert name) is responsible for the development and tracking of a program/project plan covering:

1. Overall Program Status
2. Performance Measures
3. Key Milestones
4. Key Management Issues/Program Risks
5. Budget:
 - ✓ development of annual NOAA-wide programmatic spend plan
 - ✓ development of out year requirements (current year plus five years)
 - ✓ tracking expenditures-to-date, and explanations for any variances from the current year spend plan
 - ✓ provide end-of-the-year projections
 - ✓ provide historical funding profile of program to date by FY and narrative

B. Participating Line Offices: List responsibilities and service level agreements for each Line Office.

1. NOS is responsible for - description of roles and responsibilities and activities.
 - 1a. NOS participants: Key Points of contacts for LO/program (identified in IB).
2. NMFS is responsible for - description of roles and responsibilities and activities
 - 2a. NMFS participants: Key points of contact for LO/Program (identified in IB).

C. Decision Making Hierarchy:

- ✓ Programmatic issues will be decided by the Matrix Manager in consultation with LO partners (Level 1).
- ✓ Budgetary issues will be decided by the Matrix Manager in consultation with partners (see sections C) and NOAA Budget (Level 1).
- ✓ Appeals to Matrix Manager decisions will be made by the LO AA to the PPI AA (Level 2).
- ✓ Unresolved Level 2 appeals will be forwarded to the Under Secretary.

IV. Signatures:

- ✓ Assigned Matrix Manager
- ✓ Assistant Administrator for PPI
- ✓ Assistant Administrators for Line/Staff/Program Office participants
- ✓ Chief Financial Officers for Line/Staff/Program Office participants
- ✓ Deputy Chief Financial Officer/Director of Budget

 Matrix Manager
 National Oceanic and Atmospheric Administration

 DATE

 Assistant Administrator Program Planning & Integration
 National Oceanic and Atmospheric Administration

 DATE

 Assistant Administrator LO 1
 NOAA Oceanic and Atmospheric Administration

 DATE

 Assistant Administrator LO 2
 NOAA Oceanic and Atmospheric Administration

 DATE

 Chief Financial Officer LO 1
 NOAA Oceanic and Atmospheric Administration

 DATE

 Chief Financial Officer LO 2
 NOAA Oceanic and Atmospheric Administration

 DATE

 Deputy Chief Financial Officer/Director of Budget
 NOAA Oceanic and Atmospheric Administration

 DATE

Example of Historical Profile Funding by FY

Matrix Funding Profile Matrix Program: Name

Organization	Line Item/PPA	Position	FTE	\$\$ (000)	Notes
NOS	Line Item/PPA Name	0	0	\$14,000	
NMFS	Line Item/PPA Name	0	0	11,000	
Total		0	0	\$25,000	

CHAPTER 10

COUNCILS AND COMMITTEES

Successful corporate decision-making requires the close coordination and integration of the work of the councils and committees that have a role in NOAA's strategic management process. This chapter describes those entities that have active and ongoing responsibilities in this process. Councils and committees, which either function in an ad hoc relationship to the strategic management process or which are primarily in a support role, are listed but not detailed.

All groups that report to the NOAA Executive Council or NOAA Executive Panel will formally be called Councils. Groups that report to Councils will be called Committees. Any NOAA council or committee that requires budget resources needs to be involved in the annual programming process. During September, Programming Teams will ask each relevant council or committee to detail their budget needs for the fiscal year that begins in approximately 25 months. (e.g., in September of 2003, a request would be made for the fiscal year beginning in October 2005 (FY 2006)).

NOAA Executive Council (NEC)

Purpose: The NEC provides advice to the Under Secretary of Commerce for Oceans and Atmosphere/NOAA Administrator before final decisions on NOAA wide policy. It is the forum through which NOAA senior management provide advice and counsel on high level operation and management issues.

Roles and Responsibilities:

- ✓ Establishing new policies and procedures
- ✓ Setting organizational direction
- ✓ Conducting organizational assessments
- ✓ Resolving conflicts within Line Offices/Programs

Additionally:

- ✓ Matrix-managed programs report to the NEC through the Deputy Assistant Secretary (DAS) for Oceans and Atmosphere.
- ✓ International activities report to the NEC through the Deputy Assistant Secretary for International Affairs.

Members:

Principal Members:

Under Secretary/NOAA Administrator (Chair)
Assistant Secretary of Commerce for Oceans and Atmosphere
Deputy Under Secretary for Oceans and Atmosphere
Deputy Assistant Secretary for International Affairs
Deputy Assistant Secretary for Oceans and Atmosphere

Assistant Administrators of:

- NOAA Satellite and Information Service
- NOAA Fisheries
- NOAA Oceans and Coasts
- NOAA Research
- National Weather Service
- Program Planning and Integration

Director, NOAA Marine and Aviation Operations

NOAA Chief Financial Officer/Chief Administrative Officer

Supporting Members:

General Counsel

Director, Office of Public and Constituent Affairs

Director of Legislative Affairs

Chief of Staff

Executive Director to the Deputy Under Secretary

Decision Coordination Office (DCO--Executive Assistant to the Under Secretary)

Decision Making: There are a number of key events in the NEC's annual calendar:

NEC approves planning process outcomes and adjustments to the Strategic Plan goals and objectives (August).

NEC approves Goal Lead selections (August).

NEC reviews annual programming plans (December-January).

NEC reviews and makes recommendations on budget submission to Department of Commerce (May-June).

NOAA Executive Panel (NEP)

Purpose: The NEP is a senior level body within NOAA that works with the Deputy Under Secretary for Oceans and Atmosphere (DUS) to make decisions on NOAA-wide operating issues and policies. It is the forum through which NOAA senior management will have input into the day to day NOAA-wide management issues that do not require the attention of the NOAA Executive Council (NEC).

Roles and Responsibilities:

- ✓ Managing programs within established baselines
- ✓ Recommending new or changes in policies and programs
- ✓ Serving as the final clearinghouse for action items prior to NEC review and decisions

Members:

Principal Members:

Deputy Under Secretary for Oceans and Atmosphere(Chair)

Deputy Assistant Administrators of:

- NOAA Satellites and Information
- NOAA Fisheries
- NOAA Oceans and Coasts
- NOAA Research
- National Weather Service
- Program Planning and Integration

Deputy Director, NOAA Marine and Aviation Operations

Deputy Chief Financial Officer/Director of Budget

Deputy Chief Administrative Officer

NOAA Chief Information Officer

Supporting Members:

Executive Director to the Deputy Under Secretary

Decision Coordination Office (DCO)

Decision Making:

- ✓ The NEP meets on a bi-weekly basis to discuss and decide both emergent management issues as well as scheduled planning, programming and budgeting activities.
- ✓ Because of its responsibility for supporting the activities of the NOAA Executive Council, the NEP's annual calendar closely aligns with that of the NEC.

Chief Information Officer (CIO) Council

Purpose: To serve as the principal forum for NOAA CIOs to share effective information technology (IT) management practices and information and to establish corporate IT policies, practices and procedures.

Roles and Responsibilities:

- ✓ Overseeing NOAA-wide IT projects and operations and other projects assigned by the NEC or NEP.
- ✓ Ensuring that all actions in the CIO community conform to NOAA and Department of Commerce IT architecture.
- ✓ Establishing and setting project goals and overseeing the performance of both permanent and special purpose working groups.
- ✓ Identifying enterprise-wide requirements that need to be addressed through budget initiatives.

Members:

NOAA CIO (Chair)

NOAA Deputy CIO (Vice-Chair)

Line and Staff Office CIOs:

- NOAA Satellites and Information
- NOAA Fisheries
- NOAA Oceans and Coasts
- National Weather Service
- NOAA Research
- NOAA Finance and Administration
- NOAA Marine and Aviation Operations

Decision Making: Meeting monthly, in addition to its coordination and policy-making roles, the Council also proposes to the Deputy Under Secretary the Corporate Assessment amounts which the Line Offices pay to fund the NOAA CIO Office. The Chair will strive for consensus on every issue, but because the chair maintains 51 percent of the vote, the final decision is made by the Chair when consensus is not achieved.

Information Technology Review Committee (ITRC)

Purpose: To advise the NEP and NEC on critical IT matters. The ITRC ensures that proposed investments contribute to NOAA's strategic mission and vision, employ sound IT investment methodologies, comply with NOAA systems architectures, and provide the highest return on investment with acceptable project risk.

Roles and Responsibilities:

- ✓ Implementing NOAA's IT capital planning and investment review process.
- ✓ Evaluating new and base IT system investments that meet one or more of the following criteria:
 - Systems that merit special attention due to their sensitivity, mission criticality, or risk potential
 - NOAA-wide systems
 - Systems that have been designated for Departmental review
 - Systems with life-cycle costs of over \$2.5 million
- ✓ Controlling IT projects under development
- ✓ Evaluating existing operational IT systems

Members:

NOAA CIO (Chair)

NOAA Deputy CIO

Line and Staff Offices:

- NOAA Satellites and Information
- NOAA Fisheries
- NOAA Oceans and Coasts
- National Weather Service
- NOAA Research
- NOAA Finance and Administration
- NOAA Marine and Aviation Operations

Decision Making: The NITRC meets regularly on a schedule that complements the planning and budget formulation process and aligns with specific project timelines:

- ✓ Review Line Office IT proposals for the budget year being formulated (e.g. - in March 2003, proposals would be considered for FY 2005) and make recommendations to the NEP/NEC (March)
- ✓ Review Line Office strategic plan IT proposals and make recommendations to NEP/NEC (May)
- ✓ Review Line Office or Program Strategy Team programming plan IT proposals and make recommendations to NEP/NEC (December)

Platform Allocation Council

Purpose: The NOAA Platform Allocation Council assigns allocation of operational NOAA and charter ship and aircraft time to support NOAA's programs and missions.

Roles and Responsibilities:

- ✓ The Chief, Program Services and Outsourcing Division will coordinate the agenda for the meetings. This agenda will be approved by the Director, NOAA Marine and Aviation Operations.
- ✓ The Council will meet bi-annually, or as needed, and record minutes.
- ✓ The NOAA Platform Allocation Council will meet to discuss matters regarding allocation

of operational NOAA and charter ship and aircraft time to support NOAA's programs and missions, maintenance, repair, and replacement of ships and aircraft and major equipment and the funding responsibilities for these operations. The Council shall review proposals for ship and aircraft operations presented by our user-representatives and/or other agencies, and will establish relative priorities for the use of NOAA and charter ship and aircraft resources.

- ✓ The Council shall periodically review the efficiency with which the ships and aircraft support NOAA or other agency programs and direct necessary actions to correct deficiencies.

Members:

Voting Members:

Deputy Under Secretary for Oceans and Atmosphere - Chairperson
 Director, NOAA Marine and Aviation Operations (OMAO)
 Deputy Assistant Administrator for Satellite and Information Services
 Deputy Assistant Administrator for Weather Services
 Deputy Assistant Administrator for Ocean Services and Coastal Zone Management
 Deputy Assistant Administrator for Fisheries
 Deputy Assistant Administrator for Oceanic and Atmospheric Research

Executive Secretary:

Chief, Program Services and Outsourcing Division, NOAA Marine and Aviation Operations

Observers:

Director, Marine Operations Center, NMAO
 Director, Aircraft Operations Center, NMAO
 Director, Office of Administration, NMAO
 NOAA Chief Financial Officer/Chief Administrative Officer

Decision Making:

Decisions will be accomplished by informed consensus. The Chair will strive for consensus on every issue, but because the chair maintains 51 percent of the vote, the final decision is made by the Chair when consensus is not achieved.

Facilities Committee

Purpose: The Facilities Committee is a standing committee of the Chief Financial Officer/Chief Administrative Officer (CFO/CAO). It is the body that works within the auspices of the CFO/CAO Council to provide a focal point for formulating, analyzing and submitting recommendations regarding NOAA-wide facilities issues to NOAA management through the CFO/CAO Council.

Roles and Responsibilities:

- ✓ The Facilities Committee shall meet on the final Tuesday of the month. As necessary, ad hoc meetings can be called. The NOAA Finance and Administration Deputy Chief Administrative Officer will coordinate the agenda by soliciting input in advance from the Committee members.
- ✓ The Facilities Committee has broad advisory capacity to address facility acquisition, maintenance and disposition procedures and policies. The Committee has board authority to determine priorities for facilities assessments, FMRS, ESC and other program

spending plans, policy and procedures to be implemented, facilities standards, and technical processes to be adopted. Findings and recommendations related to NOAA's construction and strategic facilities planning will be documented and referred to the CFO/CAO, NEP and/or NEC for decision.

Members:

NFA Deputy Chief Administrative Officer (Chair)
 Designated representative from NFA Real Property Management Office (Secretary)
 Line and Staff Office representative:

- National Weather Service
- NOAA Oceans and Coasts
- NOAA Research
- NOAA Satellites and Information
- NOAA Marine Fisheries Service

Director, NOAA Marine and Aviation Operations
 NOAA EXAD

Decision Making:

The Facilities Committee will strive to reach decisions by consensus with one vote per member. If no consensus can be reached, the NFA DCAO will make a determination in the best interests of NOAA. Decisions can be appealed by any principal to the CFO/CAO Council.

Research Council

Purpose: The NOAA Research Council performs corporate oversight of NOAA research and development.

Roles and Responsibilities:

- ✓ Formulates and recommends scientific policy to the Under Secretary/Administrator and provides guidance to NOAA Line and Program Office on Scientific and technological issues
- ✓ Oversees a continual process of independent peer evaluation to determine the quality and relevance of NOAA's science and technology programs, products, services, and professional staff, and recommends where and how improvements should be made
- ✓ Establishes criteria and develops a review process for reviews of all research and development programs.
- ✓ Ensures all NOAA services are based on sound science, NOAA research programs are designed to improve existing NOAA services or establish the basis for needed new services; and NOAA research laboratories are meeting the agency's mission goals.
- ✓ Fosters sound research strategies and scientific program development within NOAA to meet long-range societal needs and emerging scientific and technological opportunities.
- ✓ Ensures NOAA's research investments follow best practices and is applied consistently across NOAA following OMB criteria.
- ✓ Promotes and emphasized Federal Geographic Data Consortium complaint metadata for all research projects and grants.
- ✓ Promotes and emphasizes data archive.

Members:

- ✓ Representative from NOAA Research (Chair)
- ✓ Chief Scientists or science representatives for each Line Office
- ✓ Assistant Administrator for Program, Planning and Integration
- ✓ Representative from NOAA Finance and Administration (serve as ex-officio member)

Decision Making:

The Research Council will meet about four times per year, with occasional meetings called by the Chair. Each meeting will last 1-2 days. Decision-making meetings require a majority of Council members to be present and will be held in the Washington DC/Silver Spring, MD area. Teleconferencing and videoconferencing will be utilized as necessary. Decisions will be accomplished by informed consensus. The Chair will strive for consensus on every issue, but because the chair maintains 51 percent of the vote, the final decision is made by the Chair when consensus is not achieved.

The Research Council will report to the NOAA Executive Council (NEC). The NEC will oversee the Agency's Research and Development investment (budget) in directed and exploratory research, regardless of how the funds are appropriated or where the funds are spent.

Grants Committee

Purpose: To ensure that the NOAA grants process functions efficiently and effectively.

Roles and Responsibilities: The Grants Management Advisory Committee reviews NOAA grant activities and assists in establishing open channels of communication among the Line Offices, program offices, grant recipients, Grants Management Division (GMD), and the Department of Commerce (DOC), in order to ensure that the grant process meets the NOAA programmatic mission requirements.

Members: The Grants Management Advisory Committee will operate under the auspices of the Office of Administration in NOAA and chaired by the Chief, Grants Management Division. The Chief, Grants Operations Branch, acts as the Secretary. The Grants Management Advisory Committee will be a sub-committee of the CFO/CAO Council.

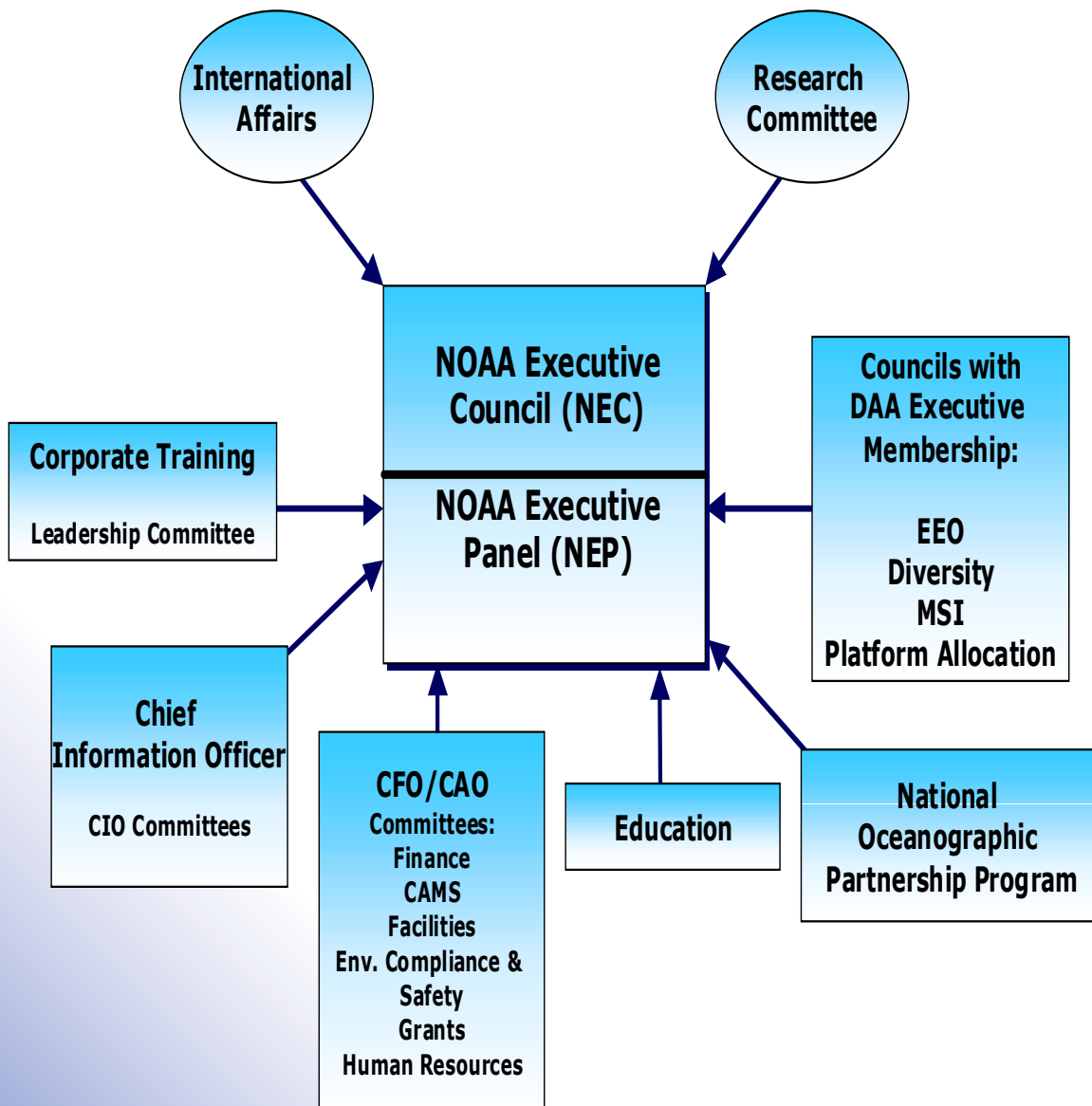
NOAA Research
 NOAA Fisheries
 National Weather Service
 NOAA Satellites and Information
 NOAA Oceans and Coasts
 Acquisition and Grants Office
 Grants Management Division
 Grants Operations Branch, GMD
 Department of Commerce, Office of the General Counsel/Federal Assistance Law Division
 NOAA Budget Office
 NOAA Finance Office

Decision Making: The Grants Management Advisory Committee has broad advisory capacities to address grants procedures and policies. Findings and recommendations will be documented as "Action Items" and serve as the minutes. Members affected by "Action Items" will update the Committee on the status of the Grants Management Advisory Committee's recommendations at the following meeting.

Other Councils and Committees:

- ✓ Chief Financial Officer/Chief Administrative Officer Council
- ✓ International Affairs Council
- ✓ Minority Serving Institutions (MSI) Council
- ✓ Diversity Council
- ✓ EEO Council
- ✓ Corporate Training Council
- ✓ Education Council
- ✓ National Oceanographic Partnership Program
- ✓ Leadership Committee
- ✓ Human Resource Committee
- ✓ Environmental Compliance and Safety Committee

COUNCILS AND COMMITTEE STRUCTURE



Acronyms

AA	Assistant Administrator
AA/PPI	Assistant Administrator for Program Planning and Integration
CAMS	Commerce Administrative Management System
CAO	Chief Administrative Officer
CFO	Chief Financial Officer
CIO	Chief Information Officer
COTR	Contracting Representative
DAS	Deputy Assistant Secretary
DCO	Decision Coordinating Office
DOC	Department of Commerce
EEO	Equal Employment Opportunity
EXAD	Executive Direction and Administration
GL	Goal Lead
GMD	Grants Management Division
GRPA	Government Results and Performance Act
IT	Information technology
ITRB	Information Technology Review Board
LO	Line Office
OMB	Office of Management and Budget
OPA&E	Office of Program Analysis and Evaluation
OSP	Office of Strategic Planning
PMD	Program Management Directive
PPI	Program Planning and Integration
PRD	Program Requirements Document
NEC	NOAA Executive Council
NEP	NOAA Executive Panel
NESDIS	NOAA's National Environmental Satellite, Data, and Information Service (NOAA Satellites and Information)
NFA	NOAA Finance and Administration
NITRB	NOAA Information Technology Review Board
NMAO	NOAA Marine and Aviation Operations
NMFS	NOAA's National Marine Fisheries Service (NOAA Fisheries)
NOS	NOAA's National Ocean Service (NOAA Oceans and Coasts)
NWS	NOAA's National Weather Service (National Weather Service)
SO	Staff Office
SON	Statement of Needs

Glossary

Appropriation - A provision of law providing budget authority that enables an agency to incur obligations and to make payments out of the Treasury for specified purposes. Appropriations are the most common means of providing budget authority. Annual appropriations are provided in appropriations acts; most permanent appropriations are enacted in substantive law.

Annual Program Reviews - Annual Program Reviews will consider with NOAA's planning, programming and budgeting cycle and will, among other things, assess how well the program is meeting the requirements in the Program Requirements Document (PRD). These Program Reviews may, in turn, lead to modifications in existing Statement of Needs (SONs), or to the creation of new SONs.

Budgeting - The process for determining the resources required by NOAA to meet its program commitments; justifying these requirements to various review levels; determining the impacts of revised resource levels; and executing the program at the approved funding level.

Council - A group that reports to the NOAA Executive Council (NEC) or NOAA Executive Panel (NEP) is formally called a Council. All Councils report to the NEP and NEC except for the International Affairs Council and the Research Council, which report directly to the NEC.

Committee - A group that report to Councils will be called Committees. For example, the Research Committee will now be the Research Council because it reports directly to the NEC. The CFO/CAO Council has several Committees reporting to it, such as the Grants and Facilities Committee and Environmental Compliance and Safety Committee.

Goal Leads - NOAA's officials assigned to lead the programming process for each of the approved objectives in the Strategic Plan.

Government Performance and Results Act (GPRA) of 1993 - P.L. 103-62 mandates that agencies submit initial strategic plans, which updates every three years, and performance plans covering each program activity. On the basis of these plans, OMB includes a performance plan for the federal government in the President's budget.

Master Calendar - Display of critical events and key dates for NOAA's annual Planning, Programming and Budgeting activities.

Matrix Management - A cooperative approach to managing programs that span across two or more NOAA organizations. The Project Manager is given total responsibility and accountability for the programs' success while functional managers provide technical and business assistance.

Performance Measures - The means by which actual outcomes and outputs are measured against planned outcomes and outputs. To be effective, they must be aligned with NOAA's Strategic Goals and gauged at all program levels.

Planning - The planning process is done on a strategic level and on an annual basis.

Program Management Directive (PMD) - PMD defines a specific program, provides direction to appropriate Line Offices and Program Managers, and identifies the resources for the responsibilities of and requirements to be accomplished by the program. PMDs are issued by NOAA Finance and administration Office at the direction of the NEC.

Program Requirements Document (PRD) - PRDs are developed from the approved SON and PMD and detail the technical requirements for the approved program or acquisition. The PRD examines various alternatives and performs the necessary trade-off analyses to develop the preferred solution to fulfill the validated requirement(s). It is important that the preferred solution satisfies the requirement(s) when cost, schedule, performance, and risk are considered.

Programming - The process for deciding which initiatives NOAA should support with its limited resources.

Programming Teams - The Programming Teams develop draft programming plans, including proposed performance measures and rough cost estimates for PA&E review.

Requirements Process - It is an iterative, ongoing process that translates NOAA long-term needs as determined by strategic planners, into program requirements. This process fully supports programming, planning and budgeting.

Statement of Need (SON) - SON is a generic statement of a lack of capability and is non-solution specific to allow selection of the most cost effective solution; however, the SON may identify “potential” solutions and indicate a tentative preference. The SON identifies and describes the mission deficiency; discusses the results of assessments of user needs and opportunities; describes why non-fiscal changes (i.e., policies, legislation) are not adequate to correct the deficiency; identifies potential programmatic or material alternatives; and describes any key boundary conditions and operational environments that may impact satisfying the need.

Strategic Management - A dynamic and ongoing process for corporate decision-making. It integrates planning, programming and budgeting and utilizes a shared system of principals, processes and support structures.

Strategic Planning - The process by which the future direction of NOAA is embodied in its goals, objectives, and performance measures.

